

Janice K. Brewer
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007
(602) 771-2300 • www.azdeq.gov



Benjamin H. Grumbles
Director

Notice of Administrative Deficiencies

July 6, 2010

Curis Resources Ltd.
c/o Hunter Dickinson
Attn: Loretta Ford
1020-800 West Pender St.
Vancouver, BC Canada V6C 2V6

Re: U1 Resources Inc. – Florence Copper Project

Inventory Number: 101704 LTF ID: 52202
USAS Number: 110159-00 Place ID: 1579

Dear Ms. Ford:

The Arizona Department of Environmental Quality (ADEQ) received the above-referenced application on March 17, 2010. ADEQ's review of this application is subject to the requirements of the licensing time frames ("LTF") statute under Arizona Revised Statutes ("A.R.S.") § 41-1072 through § 41-1079 and the LTF rules under Arizona Administrative Code ("A.A.C.") R18-1-501 through R18-1-525.

Under A.R.S. § 41-1074, ADEQ has determined your application is not administratively complete because it is missing the following information necessary to issue a Notice of Administrative Completeness:

Pursuant to A.A.C. R-18-9-A203(C)(1), there are two possible methods of testing for self-assurance qualification as defined in subsection (C)(1)(a) or (b). The chief financial officer's letter indicates that Curis Resources has met the requirements of subsection (C)(1)(b). In this subsection, the first requirement (i) requires that the applicant's senior unsecured debt has a current investment-grade rating from one of the three major financial rating firms. The CFO letter's response to this requirement is "The Company does not have any senior unsecured debt." If the applicant does not have any senior unsecured debt, then it does not meet this requirement, and the applicant can not qualify for self assurance under this subsection. If an applicant does not have senior unsecured debt that is rated investment grade, then the test presented in subsection (C)(1)(a) is the only alternative to determining qualification for the financial self-assurance mechanism.

Northern Regional Office
1801 W. Route 66 • Suite 117 • Flagstaff, AZ 86001
(928) 779-0313

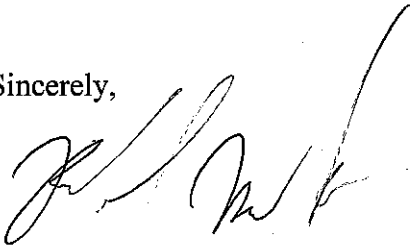
Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

The statement of the independent certified public accountant is also deficient. The letter states that "We have no reason to believe that this Statement (CFO letter) is inconsistent with the Company's balance sheet..." This statement appears to be a form of "negative assurance" for which Certified Public Accountants in the United States are generally prohibited from issuing.

If you fail to submit the missing information within 60 days of this Notice, ADEQ may proceed to a final decision on your application without further notice. As an alternative to providing ADEQ with all of the missing information identified above, you may respond to this Notice within 60 days with a Notice of Intent to Rely on the Application Components as Submitted in accordance with A.A.C. R18-1-205(B) and R18-1-520.

Please contact Richard Mendolia at (602)771-4374 if you have questions regarding this Notice or the status of your application.

Sincerely,



Richard Mendolia
APP & Drywell Unit
Groundwater Section
Water Quality Division

cc: Carrolette Winstead, Manager, APP & Drywell Unit, GWS, WQD, ADEQ
Hal Hong, Supervisor, Financial Review Unit, ADEQ
Lynne Dekarske, EPS/Billing, GWS, WQD, ADEQ

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